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SECURITY INFORMATION

Office Memorandum • UNITED STATES GOVERNMENT

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TO : AD/RR (Thru: [REDACTED])
 Thru : Chief, Services Division
 FROM : Chief, Trade & Finance Branch, Services Division

DATE: 6 February 1952

SUBJECT: Meeting with MSA Concerning Financing of the Statistical Project
 (Department of Commerce) on "Trade between the Free World and the
 Soviet Bloc"

1. The meeting was held in Admiral Dupre's conference room,
 MSA Building, today at 10:30 a.m., and was attended by:

a. For MSA -- Admiral Dupre, Colonel Rodgers, and Mr. Kenneth
 Hansen, who conducted the meeting.

b. For State Department -- Messrs. Deherty and Moline.

c. For Department of Commerce -- Mr. Karl Anderson and
 Mrs. Keyserling.

25X1A9a

25X1A9a

d. For CIA -- Messrs. Millikan, [REDACTED]

2. (a) The meeting was held primarily to discuss Department
 of Commerce's memo (received 5 February) in which is set forth estimated
 extra cost of this project: for the remainder of fiscal 1952, \$41,374,
 for fiscal 1953, \$116,300, plus \$12,000 - p.a. for reproduction.
 Mr. Hansen stated that MSA had tentatively budgeted for about half
 of the 1952 cost, and indicated that while he could not commit his
 agency for 1953 presumably it would continue to bear about half of
 the total. He also implied that under the legislation MSA could be
 called upon to meet the entire cost, but suggested that since the
 project is for the benefit of other agencies as well it would be
 desirable to reach a mutually agreed basis for division of the cost.
 He asked the others to express their views.

(b) Mr. Millikan stated that since it is a joint project
 manifestly there is no way mathematically to divide the cost, but
 implied agreement to a basis for division to be worked out among the
 agencies. State Department stated that it has no money available
 for this purpose, but that it would make indirect contributions to
 the project by way of providing analyses to other interested agencies.
 This, of course, is also an important function of CIA. Mrs. Keyserling,
 for the Department of Commerce, pointed out that while Commerce must
 collect additional cash out-lay its own contribution, in the form of
 professional supervision and physical facilities, is very considerable.

(c) Although no commitments were made nor result of the dis-
 cussions was that probably cash cost of the project will be borne
 jointly by MSA and CIA, unless after further consultations with the
 Bureau of Budget it is ruled that MSA bear the entire cost. From
 CIA's own point of view there are one or two reasons why we would
 prefer to undertake responsibility for part of the expense.

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3. It was agreed:

(a) that in the meantime MSA controller will provide Mr. Karl Anderson, Department of Commerce, with necessary authority to proceed immediately with the project, including recruitment of necessary additional staff. MSA is in a position to make this commitment, pending final determination of how costs are to be shared.

(b) that within a week Department of Commerce should address a memo to MSA expanding the estimates contained in its memo, and also detailing its own contribution to the project; that Department of State should address a memo to MSA stating the nature of its indirect contribution; and that CIA should likewise address a memo to MSA setting forth its requirement and stating the nature of its indirect contribution--all for MSA's use in its further discussions with the Bureau of the Budget.

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